

AMENDED IN ASSEMBLY MARCH 19, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 373

Introduced by Assembly Member Mullin

February 14, 2013

An act to amend Section 21661 of the Government Code, relating to public employee health benefits.

LEGISLATIVE COUNSEL'S DIGEST

AB 373, as amended, Mullin. Public Employees' ~~Long-Term~~ *Long-Term* Care Act.

The Public Employees' ~~Long-Term~~ *Long-Term* Care Act requires the Board of Administration of the Public Employees' Retirement System to contract with carriers offering long-term care insurance plans for eligible employees and annuitants, as defined. Existing law requires that long-term care insurance plans be made available periodically during open enrollment periods determined by the board. *Existing law prescribes the classes of people who are eligible to enroll in these plans.*

This bill would ~~make technical, nonsubstantive changes to these provisions~~ *provide that domestic partners and adult children are eligible to enroll in long-term care plans offered under the Public Employees' Long-Term Care Act. The bill would specify that eligibility to enroll in these plans is subject to limitations of federal law. The bill would authorize the board to expand eligibility for these plans to all classes of persons who meet relevant requirements under the act and federal law. The bill would prescribe certain definitions for these purposes.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 21661 of the Government Code is amended to read:

21661. (a) ~~The~~ *For purposes of this section:*

(1) “Adult children” means children who are at least 18 years of age.

(2) “Domestic partners” means adults in a domestic partnership as defined in Section 22771.

(3) “Siblings” means siblings who are at least 18 years of age.

(4) “Spouses” means parties in a marital relationship recognized under the Internal Revenue Code, including, but not limited to, Section 7702B(f)(2) of Title 26 of the United States Code, or any other applicable authority that governs eligibility for a federally qualified state long-term care plan.

(b) The board shall contract with carriers offering long-term care insurance plans.

The long-term care insurance plans shall be made available periodically during open enrollment periods as determined by the board.

~~(b)~~

(c) The board shall award contracts to carriers who are qualified to provide long-term care benefits, and may develop and administer self-funded long-term care insurance plans. The board may offer one or more long-term care insurance plans.

~~(e)~~

(d) The long-term care insurance plans shall include home, community, and institutional care and shall, to the extent determined by the board, provide substantially equivalent coverage to that required under Chapter 2.6 (commencing with Section 10231) of Part 2 of Division 2 of the Insurance Code, if the carrier has been approved by the Department of Managed Health Care pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code.

~~(d) The~~

(e) *Except as prohibited by the Internal Revenue Code, including, but not limited to, Section 7702B(f)(2) of Title 26 of the United States Code, or any other authority that governs eligibility for a federally qualified state long-term care plan, the classes of persons who shall be eligible to enroll are:*

1 (1) Active and retired members and annuitants of the Public
2 Employees' Retirement System, and their spouses, *domestic*
3 *partners*, parents, siblings, *adult children*, and spouses' parents.

4 (2) Active and retired members and annuitants of the State
5 Teachers' Retirement Plan, and their spouses, *domestic partners*,
6 parents, siblings, *adult children*, and spouses' parents.

7 (3) Active and retired members and annuitants of the Judges'
8 Retirement System, and their spouses, *domestic partners*, parents,
9 siblings, *adult children*, and spouses' parents.

10 (4) Active and retired members and annuitants of the Judges'
11 Retirement System II, and their spouses, *domestic partners*, parents,
12 siblings, *adult children*, and spouses' parents.

13 (5) Active and retired members and annuitants of the
14 Legislators' Retirement System, and their spouses, *domestic*
15 *partners*, parents, *adult children*, siblings, and spouses' parents.

16 (6) Members of the California Assembly and Senate and their
17 spouses, *domestic partners*, parents, siblings, *adult children*, and
18 spouses' parents.

19 (7) Active and retired members and annuitants, and other classes
20 of employees of a public agency that is located in this state, and
21 their spouses, *domestic partners*, parents, siblings, *adult children*,
22 and spouses' parents.

23 (f) *The board may expand eligibility to all classes of persons*
24 *who meet the requirements of this section, applicable provisions*
25 *of the Internal Revenue Code, or any other authority that governs*
26 *eligibility for a federally qualified state long-term care plan.*

27 (e)

28 (g) An individual specified in ~~paragraphs (1) to (7), inclusive,~~
29 ~~of subdivision (d) subdivision (e) or (f)~~ shall not be eligible unless
30 he or she resides in the United States, its territories and possessions,
31 or in a country in which a provider network can be established
32 comparable in quality and effectiveness to those established in the
33 United States.

34 (f)

35 (h) Notwithstanding ~~paragraphs (1) to (7), inclusive, of~~
36 ~~subdivision (d) subdivision (e) or (f)~~, a person shall not be enrolled
37 unless he or she meets the eligibility and underwriting criteria
38 established by the board.

39 (g)

1 (i) Notwithstanding ~~paragraphs (1) to (7), inclusive, of~~
2 ~~subdivision (d)~~ *subdivision (e) or (f)*, enrollment of active
3 employees of the State of California shall be subject to Section
4 19867.

5 ~~(h)~~

6 (j) The board shall establish eligibility criteria for enrollment,
7 establish appropriate underwriting criteria for potential enrollees,
8 define the scope of covered benefits, define the criteria to receive
9 benefits, and set any other standards as needed. ~~As used in this~~
10 ~~section, “sibling” means a sibling who is at least 18 years of age.~~

11 ~~(i)~~

12 (k) The long-term care insurance plans shall not become part
13 of, or subject to, the retirement or health benefits programs
14 administered by the system.

15 ~~(j)~~

16 (l) For any self-funded long-term care plan developed by the
17 board, the premiums shall be deposited in the Public Employees’
18 ~~Long-term~~ *Long-Term* Care Fund.